

# ***Indiana Tourism Product Development Workshop***

## ***Summary of Findings***



**February 2006**

**Nichols  Tourism  
Group**

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## Introduction and Strategic Plan Relevancy

Indiana and its visitor industry took important steps in charting its future direction through the development of its Indiana Office of Tourism Development's (IOTD) 2006 Strategic Plan. Four goals were prominently featured in the plan, with Lieutenant Governor Becky Skillman embracing and commenting on each of the goals.

FIGURE 1



### **Strategic Goal 1– Position IOTD as an alliance manager throughout the state**

*"We want to encourage tourism partnerships throughout Indiana by providing leadership, facilitating discussion and serving as a liaison to Indiana's tourism industry. By working together, we will be able to accomplish much more than by working individually."*

### **Strategic Goal 2 – Create development incentives to enhance existing attractions or create new attractions**

*"In order for Indiana to effectively compete with our neighboring states, we will create a business environment that is friendly to tourism development and enhancement projects."*

### **Strategic Goal 3 – Develop a strategic brand for Indiana**

*"Indiana has been a well-kept secret for too long. With friendly people, a convenient location and unique attractions, our state is a great place to visit. We are going to build Indiana's image as a getaway destination."*

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## **Strategic Goal 4 – Expand IOTD operating budget through creative partnerships**

*“We need creative funding solutions to expand the impact of Indiana tourism. Through expanded funding, we will be able to attract more visitors to Indiana and increase visitor-generated spending.*

In an effort to act on these goals, particularly Goals 1 and 2, the IOTD held a Tourism Product Development workshop on February 22, 2006. This workshop brought together a wide range of industry participants, including representatives from the lodging, restaurant, convention and visitor bureau and government sectors. The purpose of the workshop was to develop greater integrated thinking on the importance of proactive tourism product development and to begin considering the areas holding greatest potential for future initiatives.


### **Product Development Thinking**


As noted in Figure 2, the Workshop began with a presentation which reviewed why it is important that the state move in this direction and provided examples of how others are acting on new product development initiatives. This presentation is provided in Appendix 1 of this document.

**FIGURE 2**

## ***Workshop Overview***

- 1. Introductions – participant interest**
- 2. Tourism product development overview**
- 3. Key Indiana product themes – strengths and weaknesses breakout session**
- 4. Lunch**
- 5. Future areas of opportunity – factors influencing success**
- 6. Wrap-up/future direction**





The presentation covered a variety of areas, but four points were of key importance. First, Indiana must think of “product development” not only in the context of creating new attractions, but also in linking existing assets in new, more powerful ways. In essence, linking utilizes “mental mortar” rather than “bricks and mortar” to move the thinking forward. Product development must

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also consider enhancing existing assets to ensure they stay fresh and responsive to evolving consumer demands. Thus “create, link and enhance” has to be consistently considered when considering product development applications throughout the state.

**FIGURE 3**



A second key principal noted the importance of truly evaluating the power of a destination's product. The terms “Destination Driver,” “Driver Accelerants” and “Dependent Amenities” were utilized to assist Indiana and its destinations in considering its current and future product base. These terms can be thought of in the following manner:

- ◆ Destination Drivers – those products that truly stimulate the fundamental travel decision, are often identified with the destination itself and can drive large levels of visitation;
- ◆ Driver Accelerants - products that are important additions to the travel experience and can help solidify the decision on where to travel; and
- ◆ Dependent Amenities – those products that travelers will often frequent once they arrive at a destination, but they rarely play an integral role in the travel decision.

In looking to the future, Indiana must particularly focus on new product initiatives that can play the role of new drivers for the state. Caution should be used to ensure that limited resources are not targeted towards efforts that solely add just one more dependent amenity.

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A third priority reinforced the importance of taking a proactive, rather than reactive, stance towards new tourism product development concepts. Indiana destinations should not wait until an entity approaches them with a new concept and then respond to the product idea. New initiatives that can meet broad destination goals and act as destination drivers should be proactively identified and pursued.

Finally, product ideas from other areas of the country should be considered, but caution must be used to not just take a “me too” approach to these new efforts. Application of concepts that provide a unique and differentiated addition for Indiana should be a priority, limiting the ability for other competitors to provide similar products in the future.

### **Indiana's Product SWOT Factors**

Following the initial product development presentation, participants were segmented into breakout groups and were asked to identify a variety of strengths, weaknesses, opportunities and threats (SWOT) facing Indiana in seven product theme areas noted in the state's strategic plan.

**FIGURE 4**



It is important to recognize that the purpose of this initial SWOT process was to begin the dialog among industry representatives and develop a better understanding of factors influencing key product segments of Indiana. It did not attempt to identify input as “right” or “wrong,” or to “fully identify” all ideas and concepts related to the various theme areas. Rather, the workshop and this

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process is a first step in fostering discussion among industry participants and in acting on goals outlined in the state's strategic plan. Input from these breakout groups are briefly summarized for each product theme area and then followed by individual comments. A brief characterization of each product theme segment is also noted as it is described in the state's strategic plan.

### **MOTOR SPORTS**

***"From the famed Indianapolis Motor Speedway, to the smaller tracks around the state, Indiana is known as the center of the motor sports industry."***

The motor sport industry and the state's racing heritage is one of the strongest product development opportunities for Indiana. It is truly a differentiating attribute for the state, with the Indianapolis Motor Speedway providing a national and international icon. Indiana should be clearly recognized as the "Center" of the motor sports industry. The racing industry is enjoying strong expansion and possesses a very loyal fan base. While possessing these strengths, there is insufficient linkages with the centerpiece of this segment, the Speedway, to the state's other racing tracks and facilities (which total almost 100.) Too often, it is solely a passive experience and more needs to be done to introduce a broader range of active motor sport elements, whether actual track experiences or broader use of virtual reality. There are additional opportunities to integrate this racing theme with other economic development initiatives (technology development, manufacturing, education etc.) While possessing these opportunities, other competitors are aggressively building on this theme and Indiana could lose a leadership opportunity.

#### **Strengths/Opportunities**

- ◆ Abundant existing presence
- ◆ Brings in diverse international crowds
- ◆ Ready made publicity
- ◆ Brand recognition via Indy 500
- ◆ NASCAR on rise
- ◆ 3 major races
- ◆ Significant economic impact in and around Indy
- ◆ Already has a strong following
- ◆ National coverage
- ◆ Tony Stewart is from Indiana
- ◆ High competitive spirit
- ◆ 96 other tracks in Indiana - not just Indianapolis
- ◆ Broad ways could link to statewide racing heritage – there are great stories (history, technology advances, drivers etc) that could be presented to much broader audiences
- ◆ "Transferability" or how we apply current strengths to other tracks/products should be top of mind consideration
- ◆ Could work with racing companies to highlight production of cars and technology behind it
- ◆ IEDC has new focus on motor sports

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- ◆ Could recruit Richard Petty School - make motor sports less passive - more interactive
  - ◆ History, technology and experience - defining & utilizing these relationships are very important

### **Weaknesses/Threats**

- ◆ Strong competition exists and is getting stronger
- ◆ Time sensitive – targeted “race days” and can be weather sensitive
- ◆ IRL is declining
- ◆ Too often seen as only “one” race track
- ◆ High cost –capital intensive
- ◆ No link between smaller racetracks and speedway or racing center
- ◆ Frequently only a passive event with limited ability to speak to multiple generational segments
- ◆ Weak buy-in from other communities
- ◆ Not inclusive to all motor sports ( motorcycle or tractor pulls)
- ◆ Tourism professionals are not totally aware of this product, let alone visitors the theme attracts
- ◆ Indy’s overall lack of “interest outside of city” hurts broader buy in to potential

### **OUTDOOR RECREATION**

***“Indiana has 21,000 miles of rivers and streams, the nation’s most-visited state park, and more than 1.1million acres of state and county recreation areas. There are 24 state parks, 13 state forests, nine reservoirs, 207 nature preserves, 21 fish and wildlife areas and four nationally designated properties including the Indiana Dunes National Lakeshore and the Hoosier National Forest.”***

Indiana possesses a wide diversity of outdoor recreation products. Whether state parks, scenic byways, rivers, or lakes, almost every area of the state possesses some form of outdoor recreational product. While possessing these assets, they are generally not well recognized outside of the state and there is limited differentiation from similar assets in other parts of the Midwest. In general, DNR has limited resources for investment and promotion of many of these assets and there are few high quality lodging options in or near these outdoor assets. Even recognizing these challenges, the expanding interest in health and wellness provides an opportunity to build on this product segment and integrate other corporate sponsors. Indiana’s strong presence in the RV manufacturing industry also holds potential to build on these recreational assets and develop more of a differentiated environment for Indiana.

### **Strengths/Opportunities**

- ◆ State parks are well known locally
- ◆ Good hunting and fishing options
- ◆ Entire state has outdoor recreation assets and ability to participate
- ◆ Water is a dominant theme whether rivers or lakes
- ◆ Ohio/Wabash river
- ◆ Indiana Dunes broadly known – attracts large number of visitors

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- ◆ Fishing tournaments (several)
  - ◆ Increased health consciousness is as an opportunity to build off of – integrate other corporate partners
  - ◆ Linkages with RV manufacturing industry is strong
  - ◆ Opportunity to more fully develop hiking/biking trails
  - ◆ State scenic by-ways tied to culture
  - ◆ Family friendly and inexpensive activity ( user friendly)
  - ◆ Travel Indiana RV guide back roads, old highways

### **Weaknesses/Threats**

- ◆ State parks are often not known beyond Indiana borders and while good quality, generally not significantly differentiated from other states
- ◆ No local hunting preserves/controversy over hunting preserves
- ◆ Limited rustic or high end lodging options (depending on location)
- ◆ No universally recognized landmark or distinctive natural environment
- ◆ No inventory of outdoor recreation opportunities
- ◆ Limited adventure sports (extreme sports)
- ◆ Aging parks
- ◆ Limited DNR budget – not so much a marketing problem, but an infrastructure issue
- ◆ General opposition to change (hesitancy to develop new activities)
- ◆ Dealing with state agencies and their dollar deficiencies
- ◆ DNR must be involved with these discussions
- ◆ Lack of winter activities- building off-season demand

### **HISTORICAL IMPORTANCE**

***“Indiana is home to 1,535 properties that are on the National Register of Historic Places, 4 State Historic Sites, 36 National Historic Landmarks, two National Memorials, a National Historic Park and more than 450 museums.”***

Indiana possesses a rich diversity of historically significant stories and experiences including its transportation heritage (planes, trains, and automobiles), Native American connections, Underground Railroad history, or its role in architecture and music. These historical assets and stories are not widely understood and this lack of internal appreciation limits the ability to effectively present these themes to outside audiences. The small scale of many of the historical assets makes them increasingly reliant on cross promotion and linkages to maximize their collective power, but these coordinated efforts are not undertaken frequently enough. These assets too often do not engage the visitor and are presented in a passive manner. Additional investment and greater integration among these products will be required to bring these historical assets to the next level. Approaches like an “Indiana History Package” could better integrate these diverse elements and use discounts and value incentives to spur interest.



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## **Strengths/Opportunities**

- ◆ In reality, broad range of history and stories that can be told, but this diversity is not widely recognized
- ◆ Transportation ( planes, trains, and automobiles)
- ◆ Bridges
- ◆ Role of Native Americans
- ◆ Underground Railroad
- ◆ Lincoln history and stories
- ◆ Free Black History
- ◆ Early Frontier
- ◆ Circus History
- ◆ Glass Belt
- ◆ Gas Boom Era
- ◆ Architecture
- ◆ Music Heritage
- ◆ Religious History
- ◆ Future linking of experiences and museums is especially important
- ◆ Opportunity to craft "themed experiences" make it easy for visitor to understand how to experience this history
- ◆ Make sure active and less passive

## **Weaknesses/Threats**

- ◆ Lack of knowledge of statewide product
- ◆ We don't play well together – cooperation not where it should be
- ◆ Our own self perception limits our ability to present to visitors
- ◆ Not well organized enough to take advantage of prospective opportunities - too often take approach of "if new initiatives are successful then we will jump in"
- ◆ No cross promotion – limited packaging ( not goal driven)
- ◆ Limited by weather ( seasonal)
- ◆ Seem like other states have greater state support
- ◆ Hours not visitor friendly – often run as hobby not business
- ◆ Pass thru state ( lack of understanding of impact and lack of economic development support)
- ◆ No interpretation available – passive exhibitions are the norm – little ability to engage visitor

## **CULTURE AND HERITAGE**

***Indiana has a strong cultural tourism base with venues like the Fort Wayne Museum of Art, Terre Haute Art Museum and the Indianapolis Museum of Art. Likewise, performing arts organizations such as the Evansville Philharmonic Orchestra and the Indianapolis Symphony Orchestra are tourism assets. Other cultural and heritage tourism experiences unique to Indiana include Columbus' world-class architecture, Northern Indiana Amish Country and Abraham Lincoln heritage sites."***

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The state benefits from its high quality mix of art and museum assets, many of which are supported through commitments of corporate partners like Eli Lilly. These physical assets are broadened by opportunities in areas like agritourism, religious heritage and Native American history. Many of the linking and integrating thoughts noted in the Historical input was also voiced in this group. There was also a clear recognition that these assets and experiences add heavily to the quality of life provided to Indiana residents. Understanding the relationship of the visitor industry and its potential to deepen these quality of life assets needs to be deepened, particularly among the economic development industry. Caution needs to be taken in attempting to be "fair" in distributing Indiana's scarce resources, providing a little to everyone. Increased allocation to products that can truly make a difference needs to be embraced.

### **Strengths/Opportunities**

- ◆ Positive support from corporate partners like Lilly
- ◆ Agritourism is strong in many areas of the state
- ◆ German heritage
- ◆ Famous people (presidents, inventors, entertainment, etc.)
- ◆ Religious (Amish, etc.)
- ◆ Native American (festivals with cultural heritage)
- ◆ Museums (plentiful many world renown)
- ◆ Arts – TC Steele
- ◆ Music scene
- ◆ Patriotism - Early Main Street state (Madison)
- ◆ Need to bring greater attention to these elements and their role in enhancing Indiana as a place to live
- ◆ Building on this segment and tourism's role in enhancing residents' "Quality of Life"
- ◆ Indiana and the visitor industry needs to increasingly talk on an Economic Development level

### **Weaknesses/Threats**

- ◆ No immersion experiences for Generation X
- ◆ Often provide themes similar to other States (i.e. Amish also in Pennsylvania)
- ◆ Little interaction with themes (need a Generation Xer to be our champion- undertake more research and development)
- ◆ While have diverse themes, many are not fully developed
- ◆ Too generic
- ◆ Not enough linking among experiences has occurred
- ◆ Have not identified the lightning rods – what will get visitors to choose Indiana
- ◆ Politics sometimes cause tourism offices/bureaus to try and be "fair" to everyone – in end everyone loses because not enough to bring deep focus on anything
- ◆ Think too small – ends up without any real power
- ◆ Good at starting projects not good at following through
- ◆ Lack of funding and limited human resources

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## **SPECTATOR SPORTS**

***“Indiana already is a well-known sports center - the Indiana Pacers, Indiana Fever, Indianapolis Colts, Indianapolis Indians and Indiana Ice, a number of minor league hockey and baseball teams throughout the state, and collegiate sporting events and museums.”***

In addition to Indiana's professional sports teams, it has a wide range of spectator sport opportunities including high school and collegiate sport venues and teams. Few others have the depth of pride and interest Indiana possesses in this theme area, along with the range of existing assets located throughout the state. Films like Hoosiers continue to be well recognized by sport enthusiasts and provide a foundation to build upon. An important challenge is how these unique assets can better be showcased and linked to these targeted visitor segments. Many of these opportunities are tied to educational facilities that do not have the resources or internal expertise to develop these linkages to the visitor industry. Hall of Fame facilities can be an important element in linking and presenting these deeper experiences and showcasing them to broad audiences.

### **Strengths/Opportunities**

- ◆ Basketball – (high school) key Indiana source of pride and attention
- ◆ Great quality of high school gyms – how do we showcase
- ◆ Potential to play off the “Hoosier” movie locations and more fully develop linkages to film – i.e. shoot baskets everywhere games were played
- ◆ Minor League teams and ballparks – link and integrate – potential to promote campaign - see all ballparks
- ◆ Collegiate - Notre Dame Football – leverage strong identity – relate to Indiana and early football heritage
- ◆ Hall of Fame – build on national recognition and tie to other sport themes around state

### **Weaknesses/Threats**

- ◆ Need to continue to build exposure and awareness of sports opportunity
- ◆ Many of the smaller venues (non-professional teams) are educationally oriented and don't have the resources to develop or promote effectively

## **SPECIAL INTEREST ATTRACTIONS**

***“The Children's Museum of Indianapolis, the Academy of Model Aeronautics and James Dean properties are well-known attractions in the state.”***

Most of the points noted in this segment were addressed in other theme areas, with strengths such as unique religious history, wineries and Agritourism, and the RV industry noted. A key discussion point focused on further integration with prospective corporate partners. Increased integration with corporate businesses to educate how the visitor industry could work in tandem was noted. The RV industry, pottery, glass blowing, and saddle manufacturers were noted as examples of unique businesses that could more fully be integrated in the visitor

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industry. Liability insurance, marketing resources, government restrictions and lack of signage were all issues which require attention if these opportunities are to be more fully capitalized on.

### **Strengths/Opportunities**

- ◆ Religious groups and history hold potential for differentiation (Amish)
- ◆ Increased integration with business partners – RV, glass blowing, pottery, dolls, saddle manufacturer
- ◆ Vehicle manufacturing theme can be built on
- ◆ Wineries
- ◆ Agritourism using barns as a key experiential element
- ◆ Indiana Heritage - antique arts
- ◆ Highlight unique shopping experiences and tie together
- ◆ Manufacturing tours could be more fully developed within certain industries
- ◆ Historical Highways

### **Weaknesses/Threats**

- ◆ Liability issues for business who allow visitors is big challenge
- ◆ Many of these groups have limited marketing budgets - self promotion is challenge
- ◆ Government regulations (permitting, etc.) can slow development
- ◆ INDOT ( signage) often lacking in helping visitors get to these special interest attractions

## **GAMING**

**“Indiana is home to 10, soon to be 11, riverboat casinos, which drew 25 million visitors in 2002 and employ approximately 16,500 people.”**

Gaming acts as a destination driver for certain visitor segments and serves to provide important resources in enhancing individual communities. It also provides an evening experience that many destinations do not currently possess and can attract significant new private investment to a community. Although providing these benefits, casinos and their associated image can make it more difficult for a destination to expand and identify as a family market and linking casino related visitors to other Indiana product themes can be a challenge. There are a variety of social related disadvantages that are also related to gaming as a destination product.

### **Strengths/Opportunities**

- ◆ Casinos often act as a destination driver experience
- ◆ Industry has served as economic boom for various communities
- ◆ Are a good corporate citizen
- ◆ Have provided an opportunity for small town enhancements and port development
- ◆ Product theme can provide marketing resources – can potentially use to build regional experiences
- ◆ Provides an evening activity for groups

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- ◆ Attracts outside private investors

#### **Weaknesses/Threats**

- ◆ Casino is a niche and appeals to smaller market
- ◆ Casino guest often come just for gaming - harder to link to other Indiana visitor experiences
- ◆ Inequitable revenue for some communities
- ◆ Community with gaming has poor perception as a family destination
- ◆ Social disadvantages come with the product advantages

### **EVENTS AND FESTIVALS**

**“Communities across the state host annual festivals that draw thousands of visitors.”**

Events and festivals are important experiences for communities throughout Indiana, with examples ranging from racing to popcorn. These not only attract visitors and spending into communities of all sizes, they also serve as a source of pride for many Indiana residents. This form of product development can be applied in many different ways and typically take more moderate capital investment to move forward. However, in certain instances, smaller events do not draw visitors from beyond their immediate region and thus do little in terms of economic impact. These events can require significant resources, in terms of both time and money, and if the event is only one or two days in duration, the level of resources might be better applied in other areas. Also there seems to be a reduction in the level of volunteer interest, thus more of the staffing requirements can fall back on CVBs and their staff.

#### **Strengths/Opportunities**

- ◆ Events based around racing key strength- is known worldwide
- ◆ Madison's regatta well known
- ◆ There is typically good community support for festivals ( opportunity for growth)
- ◆ Festivals can bring visitor dollars to local businesses
- ◆ Opportunity to raise awareness of local culture/heritage – use event or festival to build longer term awareness of these assets
- ◆ Speaks to quality of life – residents as well as visitors appreciate
- ◆ Tourism product that can be developed without substantial capital investments

#### **Weaknesses/Threats**

- ◆ Small festivals can't attract people beyond their own community
- ◆ Need coordination to pull similar events together- create synergy-find resources
- ◆ Can require significant resources both in terms of staff and money – sometimes not appropriate for a one or two day event
- ◆ Decline in volunteerism – places more reliance on internal resources

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## GOLF

**“With nearly 470 golf courses located throughout the state, Indiana offers golfers of all skill levels a variety of options on courses designed by some of the biggest names in golf including Pete Dye, Jim Fazzio, Robert Trent Jones and Fuzzy Zoeller.”**

Indiana possesses a range of attractive golf alternatives, with golf experiences positioned throughout the state. Some packaging is occurring and these courses are being linked to other Indiana experiences. While possessing these assets, Indiana golf is relatively undifferentiated from other Midwest alternatives and the state is not perceived as a major golf getaway destination. There are limited golf schools supporting the courses and partnership efforts with hotels and other associated entities are not as developed as other competitors.

### **Strengths/Opportunities**

- Major name courses
- Existing packages
- Weather can be attractive, particularly for Northerners
- Linkages- Roads and Trails
- Golf- RV link
- Many courses in various locations throughout Indiana

### **Weaknesses/Threats**

- Golf not unique to Indiana
- Not enough golf schools
- Partners (hotel or courses) not on board
- Golf guide could be better
- No state tourism presence at shows – others believe this is not the case

## **Future Priorities in Moving Forward**

Through the SWOT process, a wide variety of issues were noted and participants were able to share perspectives from a broad diversity of individuals. As previously noted, the purpose of this workshop was to develop greater integrated thinking on the importance of proactive tourism product development and to begin considering the areas holding greatest potential for future initiatives. Although specific conclusions related to these theme areas was beyond the scope of this initial workshop, consensus was developed on a variety of future priorities in which participants believed future priorities should be placed. They included;

- ◆ Remember who travelers are and who they are going to become – make sure experiences are presented in meaningful ways.
- ◆ Look to other “best practice” examples – help introduce these examples to Indiana leaders.

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- ◆ Deepen integration with economic development entities and work to expand understanding of role of proactive tourism product development and prospective role in enhancing quality of life.
  - ◆ Focus on “Lighting Rods” - gather around a handful of key themes and don’t be afraid to “leave people out.”
  - ◆ Work to craft expanded range of incentive tools that will facilitate the development of new development opportunities.
  - ◆ Broaden the “Clearinghouse” role played by the state - linking and integrating various products and helping visitors understand how various elements can be fully experienced.
  - ◆ Ensure both industry and political leadership understands the competitive strides being taken by other regional states and the implications for Indiana's visitor industry.

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# Appendix 1





**Tourism  
Product  
Development**

Nichols Tourism  
February 2006


**NTG Experience**



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**Workshop Overview**

1. Introductions – participant interest
2. Tourism product development overview
3. Key Indiana product themes – strengths and weaknesses breakout session
4. Lunch
5. Future areas of opportunity – factors influencing success
6. Wrap-up/future direction



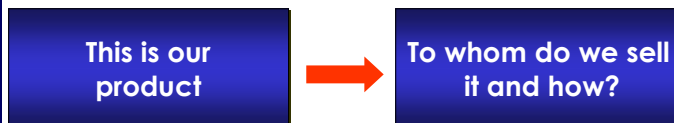
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## ***Participant Introductions***

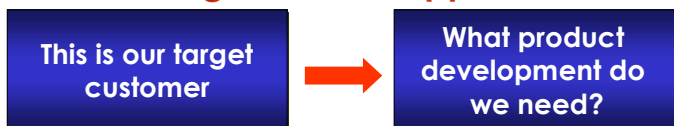
## ***Why Product Development?***


### ***Thinking Evolves***

#### **Traditional tourism approach**




#### **Strategic tourism approach**




<b><i>Product Infrastructure</i></b>		
<b>Destination Drivers</b>	<b>Driver Accelerants</b>	<b>Dependent Amenities</b>
<b>Stimulate Travel Decision</b>	<b>Increase Degree of Decision Stimulation</b>	<b>Little Influence on Decision to Travel Process</b>
<small>Source: Nichols Tourism Group, Inc.</small> 		

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<b><i>Product Examples</i></b>		
<b>Destination Drivers</b>	<b>Driver Accelerants</b>	<b>Dependent Amenities</b>
<ul style="list-style-type: none"> <li>♦ Powerful attractions</li> <li>♦ Conventions/meetings</li> <li>♦ Friends/relatives</li> <li>♦ Business</li> <li>♦ Powerful activities</li> <li>♦ Powerful events</li> <li>♦ Powerful settings (natural beauty/wonders, r &amp; r, etc.)</li> <li>♦ Powerful collection of amenities, activities or assets</li> </ul>	<ul style="list-style-type: none"> <li>♦ Value-added activities and amenities (golf with meetings, casino with convention, shopping with visit, etc.)</li> <li>♦ Powerful package</li> <li>♦ Ease of access</li> <li>♦ Ease of purchase</li> <li>♦ Great value</li> <li>♦ Powerful offer</li> <li>♦ Great marketing</li> </ul>	<ul style="list-style-type: none"> <li>♦ Most lodging</li> <li>♦ Most restaurants</li> <li>♦ Much shopping</li> <li>♦ Less powerful attractions</li> <li>♦ Less powerful events</li> <li>♦ Less powerful activities</li> </ul>
<small>Source: Nichols Tourism Group, Inc.</small> 		

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<b><i>Ability to Compete</i></b>		
<b>Destination Drivers</b>	<b>Driver Accelerants</b>	<b>Dependent Amenities</b>
<b>Critical</b>	<b>Significant</b>	<b>Cannot be Ignored</b>
<small>Source: Nichols Tourism Group, Inc.</small> 		

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### ***Frequent Process - Reactive***

Product Development  
Concept Proposed



Destination  
**REACTS**

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### ***Desired Process - Proactive***

Product Development  
Concepts Considered

- ◆ Differentiate/Sustainable
- ◆ Leverages Existing Assets
- ◆ Supports Other Needs



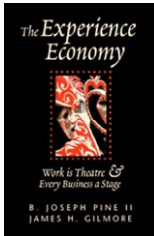
Destination  
**RECRUITS**

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***How Are  
Others Responding***

## Engaging Our Visitors?

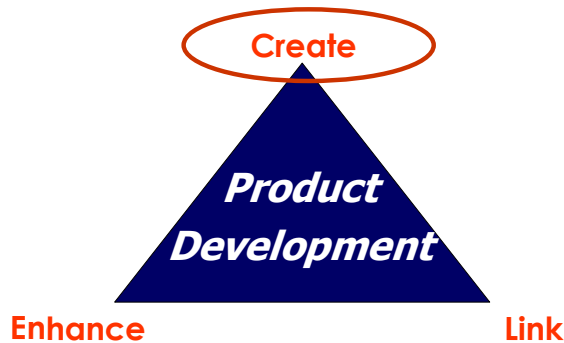


"To be successful in today's increasingly competitive environment companies must learn to **stage experiences** for each one of their individual customers. We have entered the Experience Economy, a new economic era in which all businesses must orchestrate memorable events for their customers that engage each one of them in an inherently personal way. "

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## What is Product Development?



Nichols Tourism Group, Inc.

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## Iowa Approach

**Vision Iowa & CAT – July 2000**  
**Promote recreation, education,  
entertainment and cultural activities**

- ♦ Funded with state gaming proceeds
- ♦ Vision Iowa – minimum project size \$20 million - \$300 million total funding - \$15 million annually for 20 years – 10 projects funded
- ♦ Community Attraction and Tourism Program – smaller projects – no minimum – annual funding \$12.5 million for 5 years – 119 projects funded in 100 communities

VISION  
IOWA



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## ***Vision Iowa***

Dubuque's Vision  
\$188 million project  
\$40 million grant



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## ***Other Products***

- ◆ Multi-Use Event Center
- ◆ Lewis & Clark Interpretive Center
- ◆ Science Center
- ◆ Iowa Hall of Pride
- ◆ River City Music Corridor
- ◆ Extreme Sports Park



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## ***Newport Aquarium***

- ◆ First project to utilize incentives
- ◆ \$40 million – first and only aquarium in central midwest
- ◆ Newport not even on initial “location list”
- ◆ Open in 1999
- ◆ Catalyst for \$210 million Newport on the Levee

NEWPORT  
AQUARIUM  
GRAND CENTRAL



23

## ***Grand Canyon West***

- ◆ Hualapais Indian Tribe  
Grand Canyon Skywalk
- ◆ Jutting out 70 feet into the  
Canyon
- ◆ Up to 120 visitors at a time



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## ***John Deere Integration***

**Use Power and Allure of  
John Deere**



**JOHN DEERE**

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## ***Deere Pavilion***

\$50 million Civic Renewal  
Project – Quad Cities

Most comprehensive  
agricultural exhibit in the world

Opened 1997 – has attracted  
more than 1 million guests –  
one of Illinois' top 5 tourist  
attractions

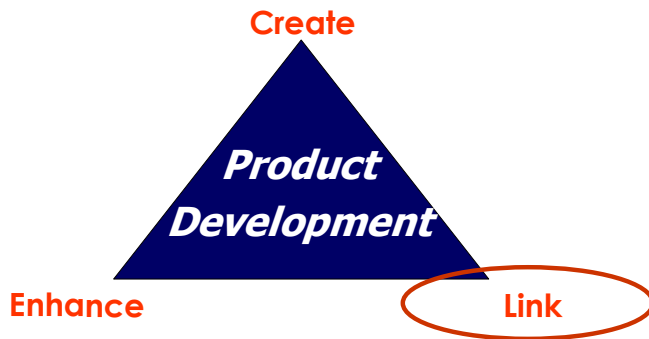
Followed by Historic Site,  
Collectors Center, Home &  
Gardens



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## What is Product Development?



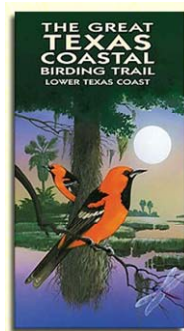
Nichols Tourism Group, Inc.

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## Texas' Approach

- Texas 1<sup>st</sup> state in nation to develop wildlife viewing/driving trails – April 2000
- Linked 310 bird watching sites and communities
- Economic incentives for landowners and communities to conserve habitats while providing recreational opportunities for the traveling public
- Wildlife trails of Texas promote sustainable economic development, build public support for conservation of wildlife and habitats, and provide a marketing platform for a growing nature-based tourism industry.
- Distributed 400,000 trail maps to interested visitors



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## Independence Visitor Center



### MISSION

The Independence Visitor Center is the primary point of orientation for Independence National Historical Park (INHP), the City of Philadelphia, the Southern New Jersey and Delaware River waterfront, as well as Bucks, Chester, Delaware and Montgomery counties in Pennsylvania.

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## Downloadable Experiences Everyone is a Tour Guide!



AUDIO TOURS FOR PEOPLE WHO DON'T NORMALLY TAKE AUDIO TOURS.

Appeals to the Individual – not the Group!

Links and integrates  
dispersed elements –  
deepens ability to build  
understanding

Use approach to help  
execute generational linking  
concepts



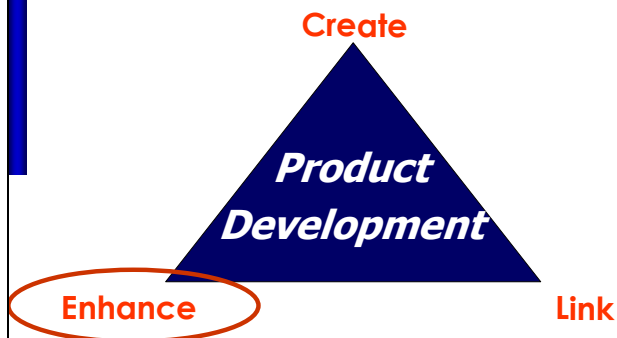
30

## Smart Card Technology



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## What is Product Development?



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## ***Attraction Approach***

**Disney's Animal Kingdom**



**Disney's Animal Kingdom  
Expedition Everest  
Florida's Tallest Mountain  
\$100 million**

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## ***Enhance Guest Satisfaction***

**Disneyland**



**FASTPASS Service  
Value not in incremental charge  
True potential was in increased guest  
satisfaction and repeat trip generation**

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## ***The Evolving World***

**"Nationwide, museums are re-evaluating how the public identifies with them - with the reduction of people traveling and revenues down, museums must find ways to connect with the public. In these economic tough times, a place like Henry Ford can't afford not to find a way to appeal to more people."**

**Edward Able Jr., President of the American Association of Museums**



**AMERICAN ASSOCIATION OF MUSEUMS**  
Enhancing the ability of museums to serve the public interest since 1906

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## ***New Elements and Impacts***

- New Village Entrance and Districts
  - Infrastructure Improvements
    - Rosa Parks Bus
- 40,000 Flexible Exhibit Space
  - James Bond Exhibit
  - Rouge Plant Tours

Attendance targeted to rise by approximately  
1/3 to 2 million annually by 2008/09!

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## ***Can a Presidential Library be Interesting?***



Media Rich Gateway



Special Effects Theater



Holavision Theater



## ***Artists as New Development***

- ◆ Artist Relocation Program
- ◆ Started August 2000
- ◆ Loan program up to 300 % of appraised value on existing structures
- ◆ Free lots for new construction
- ◆ Up to \$2500 for architectural fees
- ◆ Relocated 45 artists from 21 states across county



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## ***Recap***

### ***Indiana's Product Goals***

1. Think Create/Link/Enhance
2. Prioritize what you are focusing on
  - ◆ Destination Driver
  - ◆ Driver Accelerant
  - ◆ Dependent Amenity
3. Move from reactive to proactive
4. Apply ideas/concepts from others, but in truly differentiated areas

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## ***Indiana's Product Themes***

## ***Indiana Product Themes***

1. Motor Sports
2. Outdoor Recreation
3. Historical Importance
4. Cultural and Heritage Experiences
5. Spectator Sports
6. Special Interest Attractions
7. Gaming
8. Events and Festivals
9. Golf

**Are there other key areas or themes?**

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## ***SWOT Analysis – Examples of Issues***

1. Differentiation
2. Strong existing base
3. Competitive Advantage
4. Risk of “Me Too”
5. Sustainability
6. Opposition to growth
7. Changing visitor expectations

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## ***SWOT Breakout***

- ◆ 5 groups
- ◆ Each group two theme areas
- ◆ 45 minutes to identify Strengths and Weakness
- ◆ Record group input
- ◆ Regroup and report back findings – discussion approximately 60 minutes

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***Tourism  
Product  
Development***

Nichols  Tourism  
Group  
February 2006